

**GREGORY S. BELL** 

Lieutenant Governor

## State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

ivision Director

October 3, 2012

Frank Filas Energy Fuels Resources (USA) Inc. 225 Union Boulevard Suite 600 Lakewood, Colorado 80228

Subject: Fourth Review of Notice of Intention to Commence Large Mining Operations, Energy Fuels

Resources (USA) Inc., La Sal/Snowball/Pandora Mine, M/037/0026, Juab County, Utah

Dear Mr. Filas:

The Division of Oil, Gas and Mining has completed a review of the referenced Notice of Intention to Commence Large Mining Operations (Notice), which was received July 13, 2012. The attached comments will need to be addressed before tentative approval may be granted. These comments are mostly new and are based on re-reviewing portions of the Notice.

Please provide replacement pages highlighting the changes made. The Division requests that you respond to this review by November 30, 2012.

The Division will suspend further review until receiving your response. Please contact Tom Munson at 801-538-5321 or me at 801-538-5261 if you have questions about the review. Thank you for your cooperation.

Sincerely,

Paul B. Baker

Minerals Program Manager

PBB: tm: eb Attachment: Review cc: <u>Rdoolitt@blm.gov</u> Joelnowak@fs.fed.us

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## FOURTH REVIEW OF NOTICEOF INTENTION TO COMMENCE LARGE MINING OPERATIONS

Energy Fuels Resources(USA) Inc LaSal Snowball

> M0370026 October 3, 2012

## R647-4-106.6 - Plan for protecting & re-depositing soils

| Comment<br># | Sheet/Page/<br>Map/Table #  | Comments   | Initials | Review<br>Action |
|--------------|-----------------------------|--|----------|------------------|
| 1            | Page 34,35, 38, and page 40 | The plan has a discrepancy on how topsoil will be placed on the waste rock slopes. On page 34 it states that the topsoil will be placed at a minimum depth of six inches and ripped to 12 inches. On page 35 it states that the slopes will be ripped and the topsoil loosely placed on the ripped surface. Since radiation is considered an issue, it is essential that the topsoil not be ripped after it is placed. It would be acceptable to rip the waste then loosely apply soil, but it is the operator's responsibility to achieve the standards in the reclamation practices. | TM       |                  |

## R647-4-110 - Reclamation Plan

110.1 - Current & post mining land use

| Comment<br># | Sheet/Page/<br>Map/Table # | Comments  | Initials | Review<br>Action |
|--------------|----------------------------|---|----------|------------------|
| 2            | Page 35                    | The plan calls for development waste to be used for backfilling shafts and a concrete cap placed on top. Please provide the actual design for this reclamation scenario giving settlement expectations and the cap design to prevent against any failure.   | TM       |                  |
| 3            | Page 36                    | The plan gives radiation guidelines for reclamation of a standard equal to a dose of 100 millirem (mrem) above background level. Please provide a timeframe for this dose. The Division does not have any established guidelines, but every attempt should be made to provide a cover over the waste piles to prevent radiation exposure. | TM       |                  |

R647-4-113 - Surety

| Comment # | Sheet/Page/<br>Map/Table # | Comments   | Initials | Review<br>Action |
|-----------|----------------------------|--|----------|------------------|
| 4         | Attachment<br>O            | The operator has provided a detailed cost estimate for the Pandora mine but has not incorporated the detailed bonds from Snowball, Beaver Shaft, or the La Sal properties. Since this plan is considered a combining of these permits, the bonds for Snowball, Lasal, and Beaver Shaft mine areas need to be updated with new cost estimates and the total bond for all properties held as one bond. | TM       |                  |